



King County

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Property taxes mixed in King County for 2013: Down for some, up for others Aggregate tax increase of 3.35%, property value declines 1.48%

Property tax bills for 2013 will be sent to King County residents on February 14, and should arrive at taxpayer mailing addresses shortly thereafter.

Property taxes are mixed in King County for 2013, with property values and property taxes down for many. However, some property owners will see their property values decline while their property taxes increase, and other property owners will see both their property values increase and property taxes increase.

"We are beginning to see a recovery in the housing market in King County," said King County Assessor Lloyd Hara. "Though property values continue to decline in most areas, there are also a number of areas where property values are increasing, including in the City of Seattle and the Eastside."

Overall, property taxes in King County are up 3.35 percent for 2013, due to a number of voter-approved measures that have recently passed. At the same time, the aggregate value of property in King County is down 1.48 percent for the 2013 tax year (2012 assessment year).

Property owners who are seeing property values decline but property taxes increase may be wondering why that is. In the majority of cases, it is due to voter approved property tax measures at the ballot that increase property tax collections. These are typically school, fire, or other levies or bonds.

In a number of areas of the county, property taxes declined along with the decline of property values. As always, whether a property owner's tax bill has increased or gone down is dependent on where they live – property taxes are going up in some communities, and going down in others.

The largest drops in property value occurred in south King County and the Lower Snoqualmie Valley. Property values were up in eight cities, including Mercer Island, Issaquah, and Skykomish, and stayed steady in another three cities. Property values declined in 28 cities. Notable changes of property values and tax bills in King County include:

- **Federal Way** – The median assessed value declined 12.2 percent from \$213,000 for the 2012 tax roll to \$187,000 for the 2013 tax roll. Despite that property value drop, property taxes increased four percent or an average of \$114.99 for 2013. In 2012, voters in the Federal Way School District approved both a Maintenance and Operations Levy and a Capital Projects Levy. Also approved by voters in 2012 was a four-year maintenance and operation levy for Fire District #39.
- **Seattle** – The citywide median assessed value increased 1.1 percent from \$448,500 for the 2012 tax roll to \$453,300 for the 2013 tax roll. Property taxes increased by eight percent or an average of \$322.74 for 2013. In 2012, Seattle voters approved a Library Services Levy, along with countywide levies (listed below).
- **Tukwila** – The median assessed value declined 10.8 percent from \$204,000 for the 2012 tax roll to \$182,000 for the 2013 tax roll. This resulted in a decrease in the tax bill of 10.8 percent, or an average of \$296.12 for 2013.
- **Duvall** – The median assessed value declined 14.6 percent from \$301,000 for the 2012 tax roll to \$257,000 for the 2013 tax roll. This resulted in a decrease in the tax bill of 6.9 percent, or an average of \$275.85 for 2013.
- **Enumclaw** – The median assessed value declined 9.7 percent from \$207,000 for the 2012 tax roll to \$187,000 for the 2013 tax roll. Despite that property value drop, property taxes increased 1.9 percent or an average of \$48.12 for 2013.

For the second time since 1997 (the other was last year), the statutory property tax limit was exceeded in several King County areas, resulting in pro-rationing and reductions in tax collections for a number of taxing districts. Pro-rationing factors for 2013 include:

- Valley General Hospital District #1 lost more than seven cents of its levy, a loss of \$2.4 million in tax collections.
- Snoqualmie Hospital District #4 lost more than four cents of its levy, resulting in a loss of \$252,621 in tax collections.
- Si View Metropolitan Park District would have lost its entire levy collection if it had not placed a 4-year measure on the November 2011 ballot to protect up to 25 cents of its regular levy in case of pro-rationing. In 2012, voters approved a maintenance and operation levy to collect an additional \$527,719 in 2013. Combined, the measures reduced a potential loss of about \$1.2 million in tax collections to just \$209,837.
- Fall City Metropolitan Park District will not have a levy for the 2013 tax year due to pro-rationing, for a loss of \$110,375.
- King County Flood Control Zone District protected up to 25 cents of its levy, thereby receiving the full amount for 2013.
- Of 26 fire districts within King County, only five did not reach their statutory maximum rate for the 2013 tax year. Of the 21 reaching their statutory maximum rate, eight protected up to 25 cents of their levy, thereby receiving their allowable levy at the maximum rate.

Countywide, voters approved a nine-year levy for the Children and Family Justice Center for \$21,908,512 in 2013, and a renewal of the Automated Fingerprint Identification System (AFIS) levy for \$18,528,341 in 2013.

Washington State operates under a revenue or “budget-based” property tax system in which taxing districts, such as counties, cities, ports, and fire, library, and school districts submit their annual adopted budgets or revenue requests to the assessor. The assessor then determines the taxing rate that is necessary to generate enough revenue to meet the adopted budgets. The tax rates are based on the value of residential, commercial, and personal property in each county, which is established by the assessors.

In King County, Treasury Operations, not the Assessor, collects the property taxes on behalf of the state, cities, and taxing districts, and then distributes the revenue to the correct agencies. Under this model, residents only need to make property tax payments to a single location to support the services they receive at all levels of government.

More than 51 percent of property tax revenue collected in King County goes to support schools. Cities and other local governments, such as fire districts and hospital districts, receive about 26 percent of the property tax collection (there are 163 local taxing districts in King County). King County government receives approximately 17 percent, and the Port of Seattle receives just under two percent.

Property taxes are levied against assessed property valuations established the previous year. For example, the property tax bill for 2013 is based on values that were established as of January 1, 2012 (July 31, 2012 for remodels and new construction). Property values for 2013 are being established by King County Assessor’s Office appraisers right now and throughout this year, and will be used for the 2014 property tax bills.



“Our goal is always to make sure our property valuations are accurate, fair, and equitable, so that each property owner pays only their fair share of property taxes – no more nor no less than they are required to by law,” Hara said.

Total property tax collections for all purposes in King County will total \$3.72 billion in 2013, up 3.35 percent from \$3.6 billion in 2012. Total property tax collections increased countywide by 1.71 percent in 2012, 3.33 percent in 2011, and 1.18 percent in 2010. The primary factor in these annual variations is the difference in voter-approved property tax measures from year to year.

The portion of the property tax collected that is not affected by voter-approved levies increased in 2013 over 2012 by 0.96 percent – \$2.09 billion in 2013 compared to \$2.069 billion in 2012. This is due to the ability of fire districts, metropolitan park districts, and the King County Flood Zone to protect up to 25 cents of their levy from pro-rationing per state law. Non-voter-approved property tax collections are for Washington State, the King County General Fund, fire districts, and incorporated cities, for example.

Voter-approved property tax collections, primarily school district levies, were up by 6.5 percent in 2013 over 2012 – \$1.588 billion in 2013 compared to \$1.485 billion in 2012. New construction accounted for \$1.98 billion in new property valuation for 2013 property tax collections.

The total assessed value of property in King County is down 1.48 percent in 2012, a much smaller decrease than in recent years, including a 3.32 percent decrease in 2011, and a 3.38 percent decrease in 2010. The total assessed value of property in King County is \$314.7 billion for 2013 taxing purposes (2012 assessment), down from \$319.5 billion for 2012 taxing purposes (2011 assessment), and \$330.4 billion for 2011 taxing purposes (2010 assessment).

Residential and commercial property in King County is assessed each year at its fair market value. For residential parcels, fair market value is determined by analyzing recent sales of comparable properties in the same area.

Each year, the King County Assessor sends every King County property owner an official Property Value Notice showing the total assessed property values for the current year and the previous year.

Homeowners who do not pay their property taxes through a mortgage lender can pay quickly and easily online at www.kingcounty.gov/propertytax. Residents can also pay using check, cash, or by credit card (convenience fee added) in person at King County Treasury Operations, 500 Fourth Ave., Suite 600, Seattle.

Payments by check only may be made in person at any of the six King County Community Service Centers located throughout the county. For a listing of Community Service Centers and their business hours, visit www.kingcounty.gov/CSC.

To avoid interest and penalties, first half taxes must be paid or postmarked by April 30. Second half taxes must be paid or postmarked by October 31.

Property tax relief programs in King County include:

- Senior citizens: 206-296-3920
- Disabled persons: 206-296-3920
- Current use reduction for farm and agriculture or forest land: 206-263-2374
- Current use reduction for open space or timber: 206-296-8351
- Remodeling/home improvement exemption: 206-205-0656
- Destroyed property reduction: 206-263-2332
- Deferral of taxes: 206-296-3920

For property tax questions, call King County Treasury at 206-296-0923. For assistance with tax matters, contact the King County Tax Advisor at 206-205-6330. The number for the King County Assessor is 206-296-7300 or visit www.kingcounty.gov/assessor.